

06 November 2025

India | Equity Research | Results Update

Blackbuck

New Age Logistics

Core business growth continues to surprise positively as new business gains traction

In Q2FY26, Blackbuck's core revenues grew ~37% YoY led by 55% QoQ growth in fuel sensors. New businesses grew >2x YoY and 19% QoQ led by Superloads and vehicle financing. We note, Blackbuck has grown ahead of the market in H1FY26 despite having ~50% market share in the tolling business. Also, growth in fuel sensors is a bright spot given it is not driven by regulation rather by customer needs. This, in our view, bodes well for upselling and cross selling products to its captive base in the future. However, EBITDA declined ~9.6% QoQ in Q2FY26 given investments into future growth and annual salary increments. Given the recent stock run up (up ~55% in last 6 month), the risk-reward skew has weakened. However, given the strong growth outlook, we maintain **BUY**. We increase our TP to INR 775, as we roll forward our valuation by six months.

Q2FY26 performance review

In Q2FY26, revenue was INR 1.5bn, up 5.2% QoQ/53.0% YoY (2% ahead of our estimates), driven by core businesses (tolling and telematics) which grew 2.6% QoQ/36.7% YoY to INR 1.2bn and growth businesses grew 19% QoQ/226.2% YoY.

Average monthly transacting truck operators grew 13.2% YoY. Payments GTV grew 28.6% YoY in Q2FY26. Adj. EBITDA was ~INR 426mn (down 9.6% QoQ/up 123% YoY) with margin at 28.2% (vs. 32.9% in Q2FY25). Adj. EBITDA margin declined 463bps QoQ due to investments in new businesses and annual salary increments. PAT was INR 292mn (down 13.4% QoQ), mainly due to lower EBITDA.

Management commentary

Management stated that market share in the tolling business grew from 45% to 50% in Q2FY26. Management expects a steady 25% YoY growth in the tolling business, supported by structural industry tailwinds, including the expansion of national highways (replacing state highways) and annual toll rate inflation of around 3–5%, both of which boost transaction volumes and ticket sizes. Management added that its gold subscription's penetration among existing users improved from 20% to 25%. Fuel sensor sales grew ~55% QoQ, with early-stage but strong repeat usage among existing GPS customers (95% overlap).

Financial Summary

Y/E March (INR mn)	FY25A	FY26E	FY27E	FY28E
Net Revenue	4,267	6,070	7,704	9,572
EBITDA	932	1,752	2,538	3,592
EBITDA Margin (%)	21.8	28.9	32.9	37.5
Net Profit	(383)	1,512	2,263	3,160
EPS (INR)	(2.2)	8.7	12.9	18.1
EPS % Chg YoY	(75.8)	(495.1)	49.6	39.6
P/E (x)	(298.6)	75.6	50.5	36.2
EV/EBITDA (x)	115.2	59.5	40.3	27.7
RoCE (%)	39.3	9.8	12.4	14.9
RoE (%)	(4.9)	11.5	15.1	17.8

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Market Data

Market Cap (INR)	118bn
Market Cap (USD)	1,332mn
Bloomberg Code	BLACKBUC IN
Reuters Code	ZINK.BO
52-week Range (INR)	748 /248
Free Float (%)	39.0
ADTV-3M (mn) (USD)	17.1

Price Performance (%)	3m	6m	12m
Absolute	39.1	55.2	0.0
Relative to Sensex	36.1	51.5	0.0

ESG Score	2023	2024	Change
ESG score	NA	NA	NA
Environment	NA	NA	NA
Social	NA	NA	NA
Governance	NA	NA	NA

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E	FY28E
Revenue	10.5	12.0	14.1
EBITDA	(5.5)	(12.2)	(13.9)
EPS	(4.9)	(10.7)	(12.7)

Previous Reports

06-08-2025: [Q1FY26 results review](#)

06-06-2025: [Company update](#)

The EBITDA margin decline was attributed to: 1) Doubling down on Superloads; 2) expansion of sales teams; 3) investments in high-growth sub-segments of core businesses (fuel sensor, AIS-GPS); and 4) annual salary increments.

The payback period of newly acquired customers has increased, from 7–8 months to ~9–10 months, due to deliberate reinvestment in market share gains.

Over the next six months, Blackbuck plans to expand the Superloads business from 4 hubs (proven in Bengaluru and Hyderabad) to 14 hubs.

As per management, India has 350–400 industrial/commercial hubs, of which only 50–100 is material. Superloads business in a new city generally takes ~2 months to reach break-even. In digitised loads, Blackbuck is the market leader, with 90% market share. In total FTL (offline + digitised), it holds 7–8% market share. The average realisation per load is INR 50k and brokers make ~8–10% margins. However, at present, average realisation in the Superloads business is lower due to regional lane exposure.

Management mentioned that load pricing is highly heterogeneous and micro-market dependent, varying 15–20% even on the same lane (e.g., Bengaluru–Delhi), depending on factors such as material type, warehouse wait times, and truck availability.

While Superloads have container trucks, it is underrepresented compared to the overall fleet mix. Large fleet owners (who own most containers) were early adopters of legacy telematics and banking platforms, leading to a lower proportional share for BlackBuck. Despite this, 40–50% of loads on classifieds and Superloads involve containers, especially in key markets like Bengaluru. Management does not expect growth constraints from container supply.

Valuation

We maintain **BUY** on Zinka with a revised three-stage DCF-based TP of INR 775, as we roll forward our valuations by six months. This implies 40x one-year forward EV/EBITDA.

Key risks: Regulatory headwinds on existing businesses; stalling growth in new businesses, if management is unable to scale its marketplace; and slowdown in logistics due to geopolitics/muted consumption.

Exhibit 1: Earnings revision

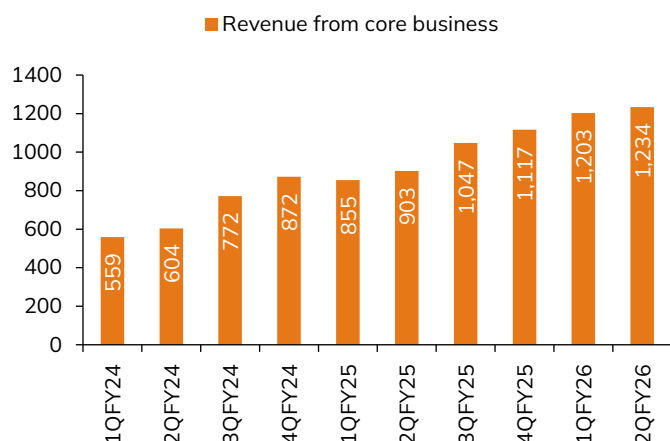
(INR mn)	FY26E			FY27E			FY28E		
	Old	New	Diff(%)	Old	New	Diff(%)	Old	New	Diff(%)
Revenue	5,491	6,070	10.5	6,879	7,704	12.0	8,387	9,572	14.1
EBITDA	1,854	1,752	-5.5	2,892	2,538	-12.2	4,170	3,592	-13.9
EBITDA Margin	36%	29%	690 bps	44%	33%	1084 bps	36%	38%	-177 bps
PAT	1,589	1,512.4	-4.8	2,535	2,263.1	-10.7	3,620.0	3,160.3	-12.7
EPS (INR)	9.1	8.7	-4.9	14.5	12.9	-10.7	20.7	18.1	-12.7

Source: I-Sec research, Company data

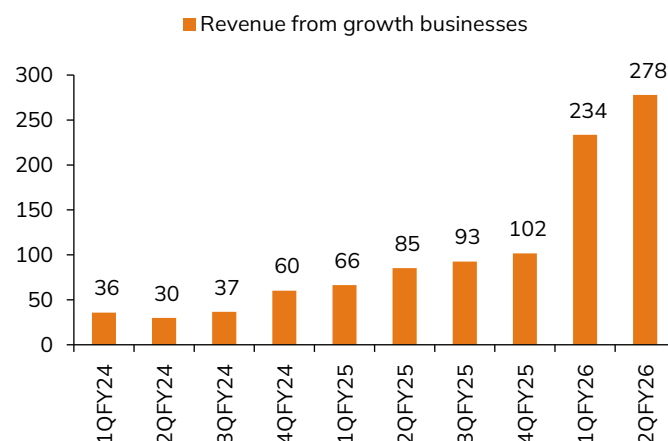
Exhibit 2: Q2FY26 review

(in INR mn)	Q2FY26	Q1FY26	QoQ(%)	Q2FY25	YoY(%)	I-Sec	Var(%)
Revenues	1,511	1,436	5.2	988	53.0	1,474	2.5
Direct cost	246	214	14.9	89	176.2	220	11.9
Contribution	1,265	1,222	3.6	899	40.8	1,254	0.9
Margin (%)	83.72	85.09	-137 bps	90.98	-726 bps	85.09	35.08
Personnel cost	417	371	12.4	396	5.4	485	-14.0
Other expenses	483	447	8.1	353	37.1	441	9.7
EBITDA	365	404	-9.6	150	142.9	329	11.1
Margin (%)	24.17	28.13	-397 bps	15.22	894 bps	22.29	187 bps
Depreciation	124	93	32.6	72	72.4	93	33.0
EBIT	241.55	310.74	-22.3	78.61	207.3	235.61	2.5
Margin (%)	16.0	21.6	-566 bps	8.0	802 bps	16.0	-1 bps
Finance cost	13	13	-1.1	8	51.7	9	37.9
Other Income	161	159	0.7	55	193.7	158	1.7
Tax	97	120	NA	1	NA	96	1.4
Tax rate	25.0	26.3	-130 bps	1.0	2397 bps	25.0	2 bps
PAT	292	337	-13.4	(3,084)	NA	288	1.3
Margin (%)	19.3	23.5	-415 bps	-312.2	NA	19.6	-24 bps

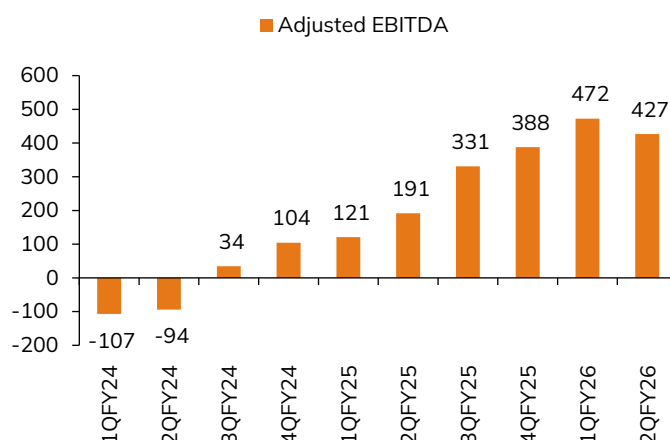
Source: I-Sec research, Company data

Exhibit 3: Revenue from core businesses (INR mn)

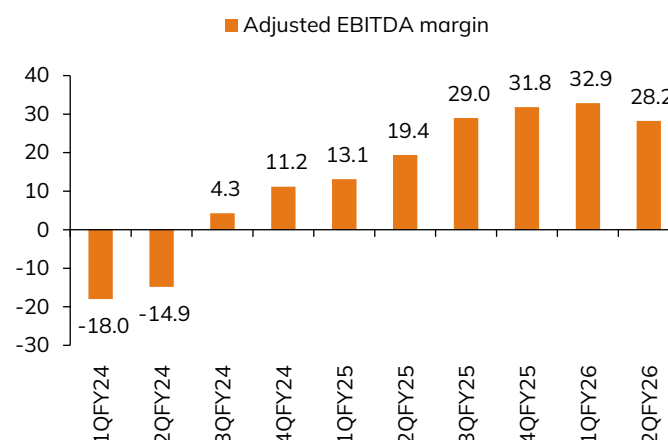
Source: Company data, I-Sec research

Exhibit 4: Revenue from growth businesses (INR mn)

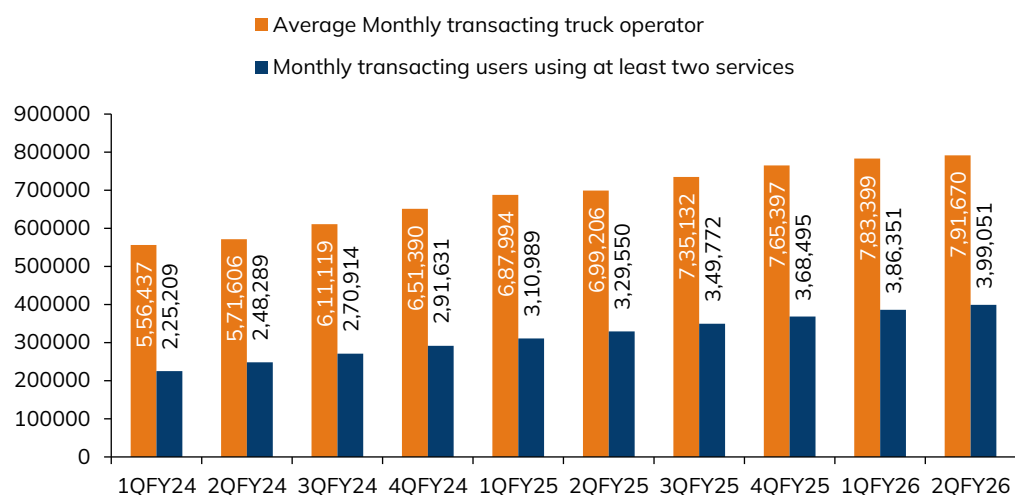
Source: Company data, I-Sec research

Exhibit 5: Adjusted EBITDA (INR mn)

Source: I-Sec research, Company data

Exhibit 6: Adjusted EBITDA margin (%)

Source: I-Sec research, Company data

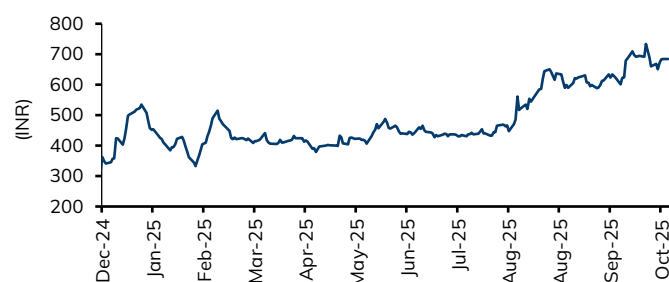
Exhibit 7: Average monthly transacting truck operator (number of users)


Source: I-Sec research, Company data

Exhibit 8: Shareholding pattern

%	Mar'25	Jun'25	Sep'25
Promoters	27.7	27.4	27.2
Institutional investors	21.9	34.1	40.5
MFs and other	9.2	12.6	11.9
Banks/ FIs	0.5	0.4	0.9
Insurance Cos.	0.6	0.6	1.5
FII's	11.6	20.5	26.2
Others	50.4	38.5	32.3

Source: Bloomberg, I-Sec research

Exhibit 9: Price chart


Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 10: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Net Sales	4,267	6,070	7,704	9,572
Operating Expenses	2,997	3,225	3,471	3,587
EBITDA	932	1,752	2,538	3,592
EBITDA Margin (%)	21.8	28.9	32.9	37.5
Depreciation & Amortization	339	367	433	468
EBIT	593	1,385	2,105	3,123
Interest expenditure	41	10	8	4
Other Non-operating Income	357	647	928	1,106
Recurring PBT	909	2,022	3,025	4,225
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	(2,446)	510	762	1,065
PAT	3,355	1,512	2,263	3,160
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	(383)	1,512	2,263	3,160
Net Income (Adjusted)	(383)	1,512	2,263	3,160

Source Company data, I-Sec research

Exhibit 11: Balance sheet

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Total Current Assets	8,812	12,284	14,757	18,164
of which cash & cash eqv.	7,049	10,182	12,160	15,049
Total Current Liabilities & Provisions	1,481	2,916	3,718	4,636
Net Current Assets	7,331	9,368	11,039	13,528
Investments	568	568	568	568
Net Fixed Assets	379	558	679	789
ROU Assets	73	28	0	0
Capital Work-in-Progress	-	-	-	-
Total Intangible Assets	-	-	-	-
Other assets	1,706	933	1,287	1,691
Deferred Tax Assets	2,473	2,473	2,473	2,473
Total Assets	12,847	14,353	16,586	19,720
Liabilities				
Borrowings	297	297	297	297
Deferred Tax Liability	-	-	-	-
provisions	41	45	49	54
other Liabilities	53	58	64	70
Equity Share Capital	177	177	177	177
Reserves & Surplus	12,198	13,710	15,973	19,134
Total Net Worth	12,375	13,888	16,151	19,311
Minority Interest	-	-	-	-
Total Liabilities	12,847	14,353	16,586	19,720

Source Company data, I-Sec research

Exhibit 12: Cashflow statement

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Operating Cashflow	583	3,013	1,624	2,403
Working Capital Changes	(505)	1,771	(152)	(124)
Capital Commitments	(5,708)	(478)	(526)	(578)
Free Cashflow	(5,124)	2,535	1,098	1,825
Other investing cashflow	1,042	647	928	1,106
Cashflow from Investing Activities	(4,665)	169	403	528
Issue of Share Capital	5,341	-	-	-
Interest Cost	(62)	(10)	(8)	(4)
Inc (Dec) in Borrowings	(1,183)	-	-	-
Dividend paid	-	-	-	-
Others	(223)	-	-	-
Cash flow from Financing Activities	3,837	(49)	(49)	(42)
Chg. in Cash & Bank balance	(245)	3,133	1,978	2,889
Closing cash & balance	1,045	10,182	12,160	15,049

Source Company data, I-Sec research

Exhibit 13: Key ratios

(Year ending March)

	FY25A	FY26E	FY27E	FY28E
Per Share Data (INR)				
Reported EPS	(2.2)	8.7	12.9	18.1
Adjusted EPS (Diluted)	(2.2)	8.7	12.9	18.1
Cash EPS	0.9	14.5	6.3	10.4
Dividend per share (DPS)	-	-	-	-
Book Value per share (BV)	70.8	79.5	92.4	110.5
Dividend Payout (%)	-	-	-	-
Growth (%)				
Net Sales	43.7	42.2	26.9	24.2
EBITDA	(159.8)	87.9	44.9	0.4
EPS (INR)	(75.8)	(495.1)	49.6	39.6
Valuation Ratios (x)				
P/E	(298.6)	75.6	50.5	36.2
P/CEPS	768.6	45.1	104.1	62.6
P/BV	9.2	8.2	7.1	5.9
EV / EBITDA	115.2	59.5	40.3	27.7
P / Sales	26.8	18.8	14.8	11.9
Dividend Yield (%)	-	-	-	-
Operating Ratios				
Gross Profit Margins (%)	-	-	-	-
EBITDA Margins (%)	21.8	28.9	32.9	37.5
Effective Tax Rate (%)	(269.2)	25.2	25.2	25.2
Net Profit Margins (%)	(9.0)	24.9	29.4	33.0
NWC / Total Assets (%)	-	-	-	-
Net Debt / Equity (x)	-	-	-	-
Net Debt / EBITDA (x)	-	-	-	-
Profitability Ratios				
RoCE (%)	39.3	9.8	12.4	14.9
RoE (%)	(4.9)	11.5	15.1	17.8
RoC (%)	18.7	29.8	52.8	73.2
Fixed Asset Turnover (x)	12.7	12.9	-	-
Inventory Turnover Days	-	-	-	-
Receivables Days	28	26	28	28
Payables Days	18	21	20	20

Source Company data, I-Sec research

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